G. R. S. IX-5]

*Previous references.*

File No. 27-16 V

Serial Nos. 1-4

1916

( Geology )

*Later references.*

Geol 123-16 (1-6) (348)

Preserve

(2)

# GENERAL AND REVENUE SECRETARIAT.

---

*Serial Nos.*

**Part B for** September 16

---

SUBJECT.

Revised form of prospecting license & adoption of separate forms of agreement for exercising control in the case of reserved minerals, issued by the Govt of India

---

Sd 4 Gy 3483 / 11-9-16 to the director of mines Geology

Forwards for information copy of letter no 5956-184 dtd 17 July 16 from the Govt of India dept of com - merce & Industry issuing revised forms of ———

W D 88—GPB—50,000—24-7-16

Pm 8-11-16

G. R. S. 11] 1916-17.

GENERAL AND REVENUE SECRETARIAT.

( Geol )

NOTES.

File No. 27-16

FILE HEADING.

Revised form of prospecting license & adoption of separate forms of agreement for exercising control in the case of reserved minerals, issued by the Govt of India.

From

The F. A. Residency

No. 5670 Dated 12-8-16 Received 12-8-16

| Diary No. 1386 | Enclos. 3 Spare Copies. | Serial No. |
|---|---|---|

BRIEF ABSTRACT OF LETTER.

Forwards copy of letter no 5956-184 dt 17th July 1916, from the Govt of India, Dept of Commerce & Industry (Geology & Minerals) on the above subject.

NOTES AND ORDERS.

1) If approved the papers may be forwarded to the Director, Dept of Mines & Geology for information & return if draft to Residency is put up.

2) We shall require a set for our use - Please ask for 6 spare copies from the Resy.

AKS. 15-8-16.

16/8-16

NOTES—First Sheet.

2

1386
1908

[G. P. S. 12]

General and Revenue Secretariat. GoI File No. 27- of 1916-17

Serial No.

1) A draft is put up.

AHS 18-8-16. 4) Time 19/8-16

2. Do.

The J. A Resident

No. Pol 210 D 22.8.16.

Acknowledges the receipt of endorsement referred to in Sl 1 requests that 6 spare copies of the revised Pr. L. & the forms of agreement for exercising Control in the case of reserved reserve minerals therein referred to may be obtained for the

Sec. 2-9-16

3. From The J. A. Resident

No 6077 D 28-8-16

Forwards five spare copies of the forms referred to in Sl 2.

5) Submitted with a draft to the Director, Dept of Mines & Geology for approval or other orders.

AHS 6-9-16. 6) Time 7/9-16

4 To The Director of M & G

No G: 3483 D 11.9.16.

Forwards a copy of the ltr referred to in Sl 1 issuing revised forms of P. L. & of Agreement for exercising Control in the case of reserved minerals.

B

NOTE--Contn. sheet.

GPB—70,000—17-12-15

GOVT. OF INDIA REV. SECTT.
12 AUG 1916



Pol 304 D 14.8.16.

A copy of the foregoing letter, with enclosures, is forwarded to the Government of His Highness the Maharaja of Mysore, for information, with reference to Mr. Warburton's endorsement No. 240, dated the 9th January 1915.

H. St. G. Tucker.

First Assistant Resident.

Letter No. 5956-184, dated the 17th July 1916, from the Government of India, Department of Commerce and Industry (Geology and Minerals), to the Hon'ble the Resident in Mysore and Chief Commissioner of Coorg.

---

With reference to the circular letter from this Department No. 14377-14390-184, dated the 7th December 1914, on the subject of the revision of the forms of prospecting license and mining lease, I am directed to say that the Government of India after considering the replies of all Local Administrations, have decided to revise the form of prospecting license and to adopt two separate forms of agreement to provide for the control to be exercised in the case of reserved minerals.

2. The modifications which have been made in the form of prospecting license are of minor importance. An addition is made to the first paragraph of Part I in order to give prominence to the important covenants Nos. 9 and 10 in Part II in clauses 10 and 11 of Part II, it is provided that the sanction of the Local Government should be given in writing; a definition of "Collector" is inserted; and the present clauses 3, 6, 7, 8 and 9 of Part III are re-arranged and incorporated as additional clauses in a new Part IV.

3. I am to explain that the forms of control agreement for reserved minerals have now been drafted separately to secure the desired measure of control in the cases (1) when sanction is obtained to work reserved minerals under a license the description of which covers reserved minerals, the agreement in such cases being entered into by the licensee as a condition of the sanction of work and the sanction being given separately in writing, and (2) when a license covering reserved minerals is transferred, after sanction to work has been given, the agreement being in such cases entered into by the transferee. It will further be observed that the form of control agreement for case (1) above will also regulate transfers of licenses

licenses before the discovery of reserved minerals and the obtaining of sanction for working these minerals.

4. I am also to point out that the forms of agreement are intended for use when reserved minerals are expressly or generally included, whether the reserved minerals are or are not expected to be found and worked. There should in the opinion of the Government of India be no difficulty in cases when a license is issued with the knowledge that reserved minerals exist in the concession, in giving at the same time sanction to work subject to the special covenants and it is essential that application for this sanction should be made to the Local Government. For this reason the terms of the special agreement are not embodied in the license, but have been drawn up as a separate document.

5. I am to add that the same forms and procedure should be adopted for prospecting licenses for oil and for the control of their working and assignment, with the proviso that the terms of (a) the licensee s covenant No. 7 (b), clause (2) of the powers of Government, and (c) the additional clauses now standing in the present form of oil license, should be expressly included, with such formal modifications, as may appear necessary, in the revised prospecting license , when the license is issued for oil.

6. A separate communication will be made on the subject of the form of agreement for the control of assignments of mining leases. As regards the special lease for oil, the instructions contained in Mr. Slater's letter of the 7th December 1914 should, pending a revision of the form, be allowed in order to enforce the conditions which it is desirable to impose on the grant or transfer of leases.

---

Mysore Resident's Office,
Bangalore, 12th August 1916.

DIARY NO. 1386
1916-17
SECTION Genl
DATED 27-8-16 No. 5670
FOLIO 1
2 & 3

## Form of Agreement for use when sanction is given to the working of reserved minerals under a prospecting license.

An AGREEMENT dated and made between THE SECRETARY OF STATE FOR INDIA IN COUNCIL (hereinafter called the Secretary of State which expression shall be deemed to include his successors in office and assigns) of the one part and (hereinafter called the Licensee (s) which expression shall where the context so admits or implies be deemed to include $\frac{\text{his}}{\text{their}}$ (respective) heirs executors administrators and assigns) of the other part whereas by virtue of a License (hereinafter called the License) dated and made between the Secretary of State and the Licensee (s) (A) [and now vested by transfer in the Licensee (s)] the Licensee (s) $\frac{\text{is}}{\text{are}}$ entitled to search for and work the mines and minerals therein mentioned for the term and subject to the payment of the rent and royalties and the observance and performance of the Licensees covenants and conditions in the License reserved and contained including covenants to notify the Collector of forthwith of the discovery of any mineral or minerals specified in the Mining Rules as reserved and not to work such mineral or minerals without the previous sanction of the local Government and whereas the Licensee (s) $\frac{\text{has}}{\text{have}}$ in accordance with the said last mentioned covenants notified the said Collector of the discovery of such $\frac{\text{a mineral}}{\text{minerals}}$ as last aforesaid and $\frac{\text{has}}{\text{have}}$ applied for the sanction of the local Government to the working of such reserved mineral (s) AND WHEREAS the said local Government have granted such sanction upon condition of the Licensee (s) entering into an agreement in and containing the terms and conditions hereinafter set forth.

(A) Where the agreement is entered into by the original Licensee draw a line through the blank and strike out the words in brackets.
Where there has been a previous transfer strike out the words "the Licensee (s)" here and fill in the name of the original Licensee in the blank.

NOW IT IS HEREBY AGREED AS FOLLOWS :—

1. (*a*) The Licensee (s) shall at all times during the subsistence of the License remain or be a British subject or subjects or a British Company or Corporation registered incorporated or established in British India or the United Kingdom or some other part of His Majesty's dominions and of which at all times during the subsistence of the License the Chairman or President or other person occupying that or any similar position (if any) and the Managing Director (if any) and a majority of the other Directors (if any) shall be a British subject or British subjects and the Managing Agent Secretaries or Secretary (if any) shall be a firm of which every member is a British subject an individual who is a British subject or a Company in every respect answering the description and satisfying the conditions last hereinbefore contained and laid down as these to which the Company itself must as a licensee conform.

(*b*) The Local General Manager and not less than per cent of the local staff employed by the Licensee shall be a British subject or British subjects and neither the License nor the said mines and minerals shall at any time during the subsistence of the License be or become directly or indirectly controlled or managed by any person or persons who is not a British subject or subjects or a Company in every respect answering to the description and satisfying the conditions last hereinbefore mentioned.

2. Any alteration in the Memorandum or Articles of Association, or in the constitution of the Licensee (s) being a company or corporation shall be reported to the local Government provided that two months' previous notice of any intention or proposal to make any alteration which might conceivably affect the British status or character of the Licensee (s) shall be given in writing to the local Government and its consent obtained thereto before it is made and if and whenever any alteration of that nature is made in the Memorandum or Articles of Association or in the constitution of the Licensee (s) without the written consent of the local Government or if, and whenever, there shall be any failure to comply with any of the provisions in this clause

the Licensee (s) shall be deemed to have committed a breach or act in contravention of the covenants and conditions contained in the said License and by $\frac{\text{him}}{\text{them}}$ to be observed and perform. PROVIDED ALWAYS that the consent of the local Government shall not be refused to any such alteration as aforesaid in the Memorandum and Articles of Association or the constitution of the Licensee (s) unless in its opinion it shall be contrary to the cardinal principle laid down by Government in respect of the said minerals, that is to say that the Licensee (s) shall be and remain British subjects or a British Company under British control.

3. The Secretary of State shall have the right (to be exercised by notice in writing to the Licensee (s) under the hand of a Secretary to Government) of pre-emption of the said minerals (and all products thereof lying upon the land specified in the license or elsewhere under the control of the Licensee (s)) and the Licensee (s) shall, with all possible expedition and so as to avoid demurrage on the vessel or vessels engaged to convey the same, deliver all minerals or products of minerals purchased by the Secretary of State under the power conferred by this provision in the quantities at the times in the manner and at the place of shipment or storage specified in the notice exercising the said right.

4. Should the right of pre-emption conferred by the immediately preceding provision be exercised and a vessel chartered to carry the minerals or products thereof purchased on behalf of the Secretary of State thereunder be detained on demurrage at the port of loading, the Licensee (s) shall pay the amount due for demurrage according to the terms of the charter party of such vessel unless the Secretary of State shall be satisfied that the delay is due to causes beyond the control of the Licensee (s).

5. The price to be paid for all minerals or products of minerals taken in pre-emption by the Secretary of State in exercise of the right hereinbefore conferred shall be the fair market price for the time being to be determined in default of agreement by arbitration in manner in the said License provided. PROVIDED THAT to assist in arriving at the said fair market price the Licensee (s) shall if so required furnish to the local Government for the confidential information of the Secretary of State particulars of the quantities, descriptions and prices of the said minerals or products thereof sold to other customers and of charters entered into for freight for carriage of the same and shall produce to such officer or officers as may be directed by the Secretary of State original or authenticated copies of contracts and charter parties entered into for the sale or freightage of such minerals or products.

6. On the occasion of a state of emergency, of which the Secretary of State shall be the sole judge, the Licensee (s) shall on such notice as last aforesaid requiring $\frac{\text{him}}{\text{them}}$ so to do use $\frac{\text{his}}{\text{their}}$ utmost endeavours to increase the supply to or for the Secretary of State of the minerals or products thereof purchased by him as aforesaid to the extent specified in such notice.

In the event of war or on the occasion of a state of emergency of which the Secretary of State shall be the sole judge, the Secretary of State may forthwith after such notice as last aforesaid of his intention so to do take possession or assume control of the works, plant and premises of the Licensee (s) at or and in connection with the said mines and the Licensee (s) shall conform to and obey all directions given by or on behalf of the Secretary of State regarding the use or employment of such works plant and premises PROVIDED THAT fair compensation which in default of agreement shall be determined by arbitration in manner in the said License provided, shall be paid to the Licensee (s) for all loss or damage sustained by $\frac{\text{him}}{\text{them}}$ by reason or in consequence of the exercise of the powers conferred by this clause.

AS WITNESS, etc.

CID173—1120—17-7-16—GCBPSimla

## Form of agreement for use in connection with the transfer of a license for working reserved minerals.

AN AGREEMENT dated and made Between THE SECRETARY OF STATE FOR INDIA IN COUNCIL (hereinafter called the Secretary of State which expression shall be deemed to include his successors in office and assigns) of the one part and (hereinafter called the Transferee (s) which expression shall where the context so admits or implies be deemed to include $\frac{\text{his}}{\text{their}}$ (respective) heirs executors administrators and assigns) of the other part WHEREAS by virtue of (a License) hereinafter called the License) dated and made between the Secretary of State and (A)
(B) [and now vested by transfer in hereinafter called the Licensee (s) and of the sanction of the local Government given in pursuance of the provisions of the License to that end the Licensee (s) $\frac{\text{is}}{\text{are}}$ entitled to search for and work the mines and minerals therein mentioned (including $\frac{\text{a mineral}}{\text{minerals}}$ specified in the Mining Rules as reserved) for the term and subject to the payment of the rent and royalties and the observance and performances of the Licensees covenants and conditions in the License reserved and contained including a covenant not to assign the License or any interest thereunder without the previous sanction of the local Government AND WHEREAS the Licensee (s) $\frac{\text{is}}{\text{are}}$ desirous of transferring and assigning the License to the Transferee (s) and the local Government have at the request of the Licensee (s) granted such sanction upon condition of the Transferee (s) entering into an agreement in and containing the terms and conditions hereinafter set forth.

(A) Name of original Licensee.
(B) If there has been no previous transfer strike out the words in brackets here. If there has been a previous transfer and the name of the holder in the blank within the brackets.

NOW IT IS HEREBY AGREED AS FOLLOWS :—

(1.) (*a*) The Transferee (s) shall at all times during the subsistence of the License remain or be a British subject or subjects or a British Company or Corporation registered incorporated or established in British India or the United Kingdom or some other part of His Majesty's dominions and of which at all times during the subsistence of the License the Chairman or President or other person occupying that or any similar position (if any) and the Managing Director (if any) and a majority of the other Directors (if any) shall be a British subject or British subjects and the Managing Agents or Managing Agent Secretaries or Secretary (if any) shall be a firm of which every member is a British subject an individual who is a British subject or a Company in every respect answering the description and satisfying the conditions last hereinbefore contained and laid down as those to which the Company itself must as a licensee conform.

(*b*) The Local General Manager and not less than per cent of the local staff employed by the Transferee shall be a British subject or British subjects and neither the License nor the said mines and minerals shall at any time during the subsistence of the License be or become directly or indirectly controlled or managed by any person or persons who is not a British subject or subjects or a Company in every respect answering to the description and satisfying the conditions last hereinbefore mentioned.

(2.) Any alteration in the Memorandum or Articles of Association, or in the constitution of the Transferee (s) being a company or corporation shall be reported to the local Government provided that two months previous notice of any intention or proposal to make any alteration which might conceivably affect the British status or character of the Transferee (s) shall be given in writing to the local Government and its consent obtained thereto before it is made, and if and whenever any alteration of that nature is made in the Memorandum or Articles of Association or in the constitution of the Transferee (s) without the written consent of the local Government or if, and whenever, there shall

be any failure to comply with any of the provisions in this clause the Transferee (s) shall be deemed to have committed a breach or act in contravention of the covenants and conditions contained in the said License and by $\frac{\text{him}}{\text{them}}$ to be observed and performed. PROVIDED ALWAYS that the consent of the local Government shall not be refused to any such alteration as aforesaid in the Memorandum and Articles of Association or the constitution of the Transferee (s) unless in its opinion it shall be contrary to be cardinal principle laid down by Government in respect of the said reserved minerals, that is to say that the Transferee (s) shall be and remain British subjects or a British Company under British control.

(3) The Secretary of State shall have the right (to be exercised by notice in writing to the Transferee (s) under the hand of a Secretary to Government) of pre-emption of the said minerals (and all products thereof) lying upon the land specified in the License or elsewhere under the control of the License and the Transferee (s) shall, with all possible expedition and so as to avoid demurrage on the vessel or vessels engaged to convey the same, deliver all minerals or products of minerals purchased by the Secretary of State under the power conferred by this provision in the quantities at the times in the manner and at the place of shipment or storage specified in the notice exercising the said right.

(4) Should the right of pre-emption conferred by the immediately preceding provision be exercised and a vessel chartered to carry the minerals or products thereof purchased on behalf of the Secretary of State thereunder be detained on demurrage at the port of loading, the Transferee (s) shall pay the amount due for demurrage according to the terms of the charter party of such vessel unless the Secretary of State shall be satisfied that the delay is due to causes beyond the control of the Transferee (s).

(5) The price to be paid for all minerals or products of minerals taken in pre-emption by the Secretary of State in exercise of the right hereinbefore conferred shall be the fair market price for the time being to be determined in default of agreement by arbitration in manner in the said License provided. PROVIDED THAT to assist in arriving at the said fair market price the Transferee (s) shall if so required furnish to the local Government for the confidential information of the Secretary of State particulars of the quantities, descriptions and prices of the said minerals or products thereof sold to other customers and of charters entered into for freight for carriage of the same and shall produce to such officer or officers as may be directed by the Secretary of State original or authenticated copies of contracts and charter parties entered into for the sale or freightage of such minerals or products.

(6) On the occasion of a state of emergency, of which the Secretary of State shall be the sole judge, the Transferee (s) shall on such notice as last aforesaid requiring $\frac{\text{him}}{\text{them}}$ so to do use $\frac{\text{his}}{\text{their}}$ utmost endeavours to increase the supply to or for the Secretary of State of the minerals or products thereof purchased by him as aforesaid to the extent specified in such notice.

In the event of war or on the occasion of a state of emergency of which the Secretary of State shall be the sole judge, the Secretary of State may forthwith after such notice as last aforesaid of his intention so to do take possession or assume control of the works, plant and premises of the Transferee (s) at or and in connection with the said mines and the Transferee (s) shall conform to and obey all directions given by or on behalf of the Secretary of State regarding the use or employment of such works plant and premises PROVIDED THAT fair compensation which shall be determined in default of agreement by arbitration in manner in the said License provided shall be paid to the Transferee (s) for all loss or damage sustained by $\frac{\text{him}}{\text{them}}$ by reason or in consequence of the exercise of the powers conferred by this clause.

AS WITNESS, ETC.

173CID—1120—17-7-16—GCBP Simla.

# MODEL FORM OF PROSPECTING LICENSE.

*Instrument of license* made this day of 19 Between the Secretary of State for India in Council hereinafter referred to as "the Secretary of State" (which expression shall where the context so admits be deemed to include his successors in office and assigns) of the one part

(1).

and [name of person]

of [address and occupation]

hereinafter referred to as "the licensee" (which expression shall where the context so admits be deemed to include his heirs executors administrators representatives and permitted assigns) (1)

(1) — (1) This wording is to be used where the license is granted to one individual.

(2)

and [name of person]

of [address and occupation]

and [name of person]

of [address and occupation]

and [name of person]

of [address and occupation]

hereinafter referred to as "the licensees" (which expression shall where the context so admits be deemed to include their respective heirs executors administrators representatives and their permitted assigns) (2)

(2) — (2) This wording is to be used where the license is granted to more than one individual.

(3)

and [name of company] Limited

incorporated in [country]

and having its registered office at [address]

hereinafter referred to as "the licensee" (which expression shall where the context so admits be deemed to include its permitted assigns) (3)

(3) — (3) This wording is to be used where the license is granted to a registered company.

and (4) the unincorporated body called

[name of syndicate] having their principal place of business at [address]

hereinafter referred to as "the licensees" (which expression shall where the context so admits be deemed to mean and include the persons or corporations who for the time being may be members of and the permitted assigns of

[name of syndicate] ) (4)

(4) — (4) This wording is to be used where the license is granted to an unincorporated Syndicate.

and (5) the firm of [name of firm]

having their principal place of business at

[address] hereinafter referred to as "the licensees" (which expression shall where the context so admits be deemed to mean and include the persons who for the time being may be members of and the permitted assigns of

[name of firm] ) (5)

(5) — (5) This wording is to be used where the license is granted to a firm.

of the other part

*Whereas* the licensee has / licensees have applied to the Collector hereinafter referred to as the collector (which expression if the context so admits shall be deemed to mean the holder of the office for the time being) of

in accordance

with the rules prescribed by the Governor General of India in Council for the grant of licenses to prospect for minerals and of mining leases (hereinafter referred to as the said rules) for a license to prospect for

in the lands specified in Schedule A hereunder written and has/have deposited with the Collector the sum of Rs. as the prescribed security in respect of such license and has/have paid to the Collector the sum of Rs. as the prescribed fee in respect of such license and *whereas* the Collector has found that the licensee/licensees are in possession of a valid certificate of approval and that there is no objection to the grant of such license *now these presents witness* as follows :—

1.—In consideration of the royalties covenants and agreements hereinafter reserved and contained and on the part of the licensee/licensees to be paid observed and performed the Secretary of State hereby grants and demises unto the licensee/licensees the sole right and license (subject to the reservations covenants and conditions hereinafter expressed and contained and especially to the covenants Nos. 9 and 10 in regard to any mineral or minerals specified in the said rules as reserved)

(1) to enter upon the lands described in the said Schedule A and to mine quarry bore dig search for win and work all or any

lying or being within under or throughout the said lands without any interruption claim or disturbance from or by the Secretary of State or any other person or persons whomsoever

(2) to carry away and dispose of the produce thereof to and for the use and benefit of the licensee/licensees

(3) for the purposes aforesaid to clear undergrowth and brushwood and (with the sanction of the Collector previously obtained in writing) to make and use any drains or water-courses on the said lands for clearing the

from any water which may flow or accumulate therein

(4) and with the like sanction to erect and bring upon the said lands all such temporary huts sheds and structures steam and other engines machinery and conveniences chattels and effects as shall be proper and necessary for effectually carrying on the prospecting operations hereby licensed or for the workmen employed therein.

Reserving nevertheless to the Secretary of State full power and liberty at all times to enter into and upon and to grant or demise to any person or persons whomsoever liberty to enter into and upon the said lands for all or any purposes other than those for which sole right and license are hereby expressly conferred upon the licensee/licensees and particularly (and without hereby in any way qualifying such general power and liberty) to make on over or through the said lands such roads tramways and railways as shall be considered necessary or expedient for any purposes and to obtain from and out of the said lands such stone earth or other materials as may be necessary or requisite for making repairing or maintaining such roads tramways and railways and to pass and repass at all times over and along such roads tramways and railways for all purposes and as occasion shall require.

*TO HOLD* the said right and license unto the licensee/licensees from the date of the presents for the term of

*PAYING* therefor immediately on the expiration or sooner determination of the said term clear of all rates taxes charges and deductions royalty at the rates specified in Schedule B hereunder written on the minerals won and carried away by the licensee/licensees during the said term under the powers hereby granted in excess of the respective quantities specified in Schedule C hereunder written which the licensee/licensees shall be entitled to take free of royalty for the purposes of experiment or as specimens.

*Covenants by licensee.*

II.—The licensee/licensees hereby covenants/covenant with the Secretary of State as follows :—

(1) Duly to pay the said royalty.

(2) To work and carry on the operations hereby licensed in a fair orderly skilful and workmanlike manner and with as little damage as may be to the surface of the said lands and to the trees crops buildings structures and other property thereon.

(3) Not to enter upon or commence prospecting in any reserve forest situate upon the said lands without *thirty* days' previous notice in writing to the District Forest Officer nor without obtaining the written sanction of that officer nor otherwise than in accordance with such conditions as that officer may in his absolute discretion prescribe.

(4) Not to disturb the surface of any road without the written permission of the Collector nor without such permission to enter upon any public pleasure ground burning or burying ground or place held sacred by any class of persons or interfere with any right of way, well or tank.

(5) *Not to enter upon any land in the occupation of any person without the consent of the occupier nor without the consent of the owner thereof to cut or in any way injure any trees standing crops buildings huts structures or other property of any kind of the occupier of any land or any other person.*

(6) Not to cut or injure any timber or tree on any unoccupied or unreserved land without the written permission of the said Collector or officer by him appointed.

(7) To make and pay reasonable satisfaction and compensation for all damage or injury which may be done in exercise of any of the powers conferred by this license and to indemnify and keep indemnified the Secretary of State against all claims or suits which may be made or brought by any person or persons in respect of any such damage or injury and all costs and expenses in connection therewith.

(8) When ever the said security deposit of Rs. or any part thereof or any further sum hereafter deposited with the Collector in replenishment thereof shall be forfeited or applied by the Collector pursuant to the power hereinafter declared in that behalf forthwith to deposit with the said Collector such further sum as may be sufficient with the unappropriated part thereof to bring the amount in deposit with the Collector up to the sum of Rs.

(9) To notify the Collector forthwith in writing of the discovery at any time or times of any mineral or minerals specified in the said rules as reserved.

(10) In the event of the discovery of any mineral or minerals mentioned in clause (9) not to work such mineral or minerals, nor to assign this license or assign or transfer any interest hereunder without the previous written sanction of the local Government within whose jurisdiction the said lands are situate.

(11) In any other case than that mentioned in clause (10) not to assign this license or assign or transfer any interest hereunder [(a) without the previous written sanction of the local Government within whose jurisdiction the said lands are situate (a)] to any person company or body not holding a valid certificate of approval under the said rules or to any person company or body already holding solely or jointly with another or others a mining lease or mining leases over 10 square miles of land within the territories administered by the local Government in whose jurisdiction the

(a)–(a) This wording is to be used only in respect of minerals in the North-West Frontier Province or Baluchistan.

said lands are situate provided that no assignment or transfer which would otherwise be valid shall be effectual unless within one calendar month after the date thereof the licensee/licensees shall give notice thereof to the Collector specifying the date and the nature of the assignment or transfer and the name profession and residence of the assignee or transferee if an individual or the name and nature and place of business of the assignee or transferee if not an individual and unless within two calendar months after the date thereof the instrument of assignment or transfer shall be produced to the Collector and the sum of Rs. 50 shall be paid to the Collector as the fee for the registration thereof in his office.

(12) *At least in every and as many other times as occasion may require well and truly to measure or weigh or cause to be measured or weighed upon some part of the said lands all minerals from time to time won from the said lands by the licensee/licensees which may require to be measured or weighed for the purpose of ascertaining the royalty payable under these presents and to give days' previous notice in writing to the Collector of every such measuring or weighing in order that he or some person on his behalf may be present thereat and not to take away from the said lands any minerals so won until the same shall have been measured or weighed as the case may be.*

(13) *To ascertain and verify in such manner as the said local Government may from time to time prescribe the value of all precious stones and other minerals ores and metals from time to time won dressed or extracted by the licensee/licensees which may require to be valued for the purpose of ascertaining the royalty payable under these presents.*

(14) *Upon the expiration or sooner determination of this license or the abandonment of the operations hereby licensed whichever shall first occur to remove at the licensee's/licensees' own cost all buildings structures plant engines machinery implements utensils and other property and effects theretofore erected or brought by the licensee/licensees and then standing or being upon the said lands and also all minerals theretofore won by the licensee/licensees under the authority of these presents and then being upon the said lands PROVIDED that this covenant shall not apply to any part of the said lands which may be comprised in any mining lease granted to the licensee/licensees during the subsistence of this license.*

(15) Within six calendar months after the expiration or sooner determination of this license or the abandonment of the operations hereby licensed whichever shall first occur and at the cost of the licensee/licensees to plug securely all bores and to fill up or fence all holes and excavations made by the licensee/licensees in the said lands to such extent as the Collector may require and to the like extent to remove waste and rubbish upon the said lands and restore to their natural or original condition the surface of the said lands and all buildings and structures thereon not belonging to the licensee/licensees which stood thereon prior to the date hereof and which may have been damaged or injured by the licensee/licensees in the course of any operations hereby licensed *PROVIDED* that this covenant shall not apply to any part of the said lands which may be comprised in any mining lease granted to the licensee/licensees during the subsistence of this license nor to any disturbance of the surface or damage or injury in respect whereof the Collector shall be satisfied that proper compensation has been made by the licensee/licensees.

(16) At any time within the period mentioned in the last preceding covenant if so required by the Collector to disclose to the Collector all information acquired by the licensee/licensees in the course of any operations under this license regarding the minerals contained in or under or the geological formation of any part of the said land which shall not be comprised in any mining lease granted to the licensee/licensees during the subsistence of this license.

*Powers of Government.*

III.—It is hereby agreed as follows :—

(1) If the licensee/licensees at any time shall fail to observe or perform or shall act in contravention of any or all of the covenants on the part of the licensee/licensees hereinbefore contained then and in any such case and notwithstanding the waiver of any previous default of the like nature the Collector may by notice in writing delivered to the licensee/licensees or left upon the said lands declare this license to be determined and thereupon this license and all rights and powers conferred hereby upon the licensee/licensees shall cease without prejudice however to the rights and remedies of the Secretary of State in respect of any breach or non-performance or non-observance of any of the covenants hereinbefore contained and except in respect of the covenants on the part of the licensee/licensees and stipulations to be performed or to have effect after the determination of this license or after the abandonment of the operations hereby licensed.

Upon any occasion on which notice declaring this license to be determined may be given as aforesaid the Collector in lieu of giving such notice may by notice in writing delivered or left as aforesaid declare the said deposit of Rs. or any part thereof or any further sum deposited under the licensee/licensees covenant in that behalf hereinbefore contained to be forfeited to the Secretary of State and the amount so declared to be forfeited shall thereupon become the absolute property of the Secretary of State unless the local Government on reference made to it by the licensee/licensees within thirty days next after the delivery or leaving of such notice shall otherwise determine.

(2) The Collector may from time to time appropriate and apply the said deposit of Rs. or any part thereof or any further sum deposited under the licensee's/licensees' covenant in that behalf hereinbefore contained in or towards payment or satisfaction of any claims to compensation which may be made by any person or persons against the licensee/licensees and the Secretary of State in respect of any damage or injury done by the licensee/licensees in exercise of any of the powers conferred by this license and in or towards payment of any damages costs and expenses which may become payable as the result of or in connection with any suits or proceedings which may be instituted against the Secretary of State in respect of any such damage or injury and also in or towards payment of the expenses of the carrying out or performance of any works or matters which the licensee/licensees shall fail to carry out or perform after the determination of this license or the abandonment of the operations hereby licensed in accordance with the covenant in that behalf hereinbefore contained.

(3) If any buildings structures plant engines machinery implements utensils or other property or effects or any minerals which ought

to be removed by the licensee/licensees from the said lands in accordance with the covenant in that behalf hereinfore contained be not so removed within one calendar month after notice in writing requiring their removal shall have been delivered to the licensee/licensees by the Collector or left by him upon the said lands the same shall be deemed to become the property of the Secretary of State and may be sold or disposed of for the benefit of the Secretary of State in such manner as he shall deem fit without liability to pay any compensation or to account to the licensee/licensees in respect thereof.

(4) If any of the works or matters which in accordance with the covenant in that behalf hereinbefore contained are to be carried out or performed by the licensee/licensees within six calendar months after the expiration or sooner determination of this license or the abandonment of the operations hereby licensed be not so carried out or performed the Secretary of State may cause the same to be carried out or performed and the licensee/licensees shall pay to the Secretary of State on demand all expenses which shall be incurred in such carrying out or performance of the same.

IV—(1) During the subsistence of this license the licensee/licensees shall have the right subject to compliance with the said rules to a mining lease in accordance with the said rules in respect of, over so much of the said lands as the licensee/licensees may desire and the said local Government shall think fit to grant and to the first offer of such mining lease in respect of within the said lands as the Governor General in Council may think fit to grant.

(2) If during the term hereby granted the licensee/licensees shall apply in accordance with the said rules for a mining lease of the said lands or any part thereof this license shall upon the expiration by effluxion of time of the term hereby granted if the licensee/licensees shall by notice in writing to the Collector so require be extended for a further term to end either on the date on which such lease shall be granted or on such other date as the Collector shall in his discretion prescribe.

(3) If upon the expiration by effluxion of time of the term hereby granted the Collector shall be satisfied that the licensee has/licensees have been prevented by causes beyond the control of the licensee/licensees from fully prospecting the said lands this license shall if the licensee/licensees shall by notice in writing to the Collector so require and subject to the payment by the licensee/licensees of the fees prescribed by the said rules for the renewal thereof be renewed for such further term not exceeding two years as the licensee/licensees may desire which renewed license shall contain the like covenants and stipulations in all respects as are herein contained with the exception of the present clause.

(4) On such date within six calendar months after the determination of this license as the Collector shall elect the amount then remaining in deposit with the Collector and not required by the Collector to be applied to any of the purposes in the last preceding clause mentioned shall be refunded to the licensee/licensees or if the licensee/licensees shall have obtained a mining lease of the said lands or any portion thereof be retained at the credit of the licensee/licensees on account of the rents and royalties or deposit money to become payable under such lease.

*Arbitration clause.*

(5) If and whenever any dispute or question shall arise regarding the construction meaning or effect of these presents or the rights powers liabilities or duties of the licensee / licensees hereunder or as to the amount or payment of any royalty or other money payable by virtue hereof or otherwise however in relation to these presents such dispute or question shall be referred to the said local Government whose decision thereon shall be final and binding on the parties hereto.

*IN WITNESS WHEREOF* these presents have been executed in manner hereunder appearing the day and year first above written.

Here insert description of lands with area, boundaries, names of District, Sub-District, Thana, etc., and cadastral survey numbers, if any.

*Schedule A.*

Here insert the rates of royalty.

*Schedule B.*

Here insert the quantities which may be taken free of royalty.

*Schedule C.*

*Signed* by

[name and designation]

for and on behalf of the

acting in the premises for and on behalf of the Secretary of State for India in Council in the presence of

(1) This clause is to be used where the license is granted to one or more individuals (the name of the constituted attorney being filled in if the licensee or licensees do not sign personally).

(1) Signed by the above named

(by his / their attorney ) in the presence of

(2) This clause is to be used where the license is granted to a registered company and if the signature is by an agent or attorney the appropriate designation should be inserted in place of the word "director".

(2) Signed in the name and on behalf of the above named

by

director of the said Company in the presence of

(3) This clause is to be used where the license is granted to an unincorporated syndicate.

(3) Signed in the name and on behalf of the above named

by their authorised agent

in the presence of

(4) This clause is to be used where the license is granted to a private firm (the name of the attorney or agent being filled in if the signature is not by a partner in the firm).

(4) Signed by the above named

(by their $\frac{\text{attorney}}{\text{agent}}$

in the presence of

173CID—1130—17-7-16—GCBP Simla

G. R. S. 26]

Geol File No. 27-16.
Serial No. 5
2

*Diary No. of letter replied to* .....

No. R-L 2/0

General and Revenue Secretariat
( )
, *the* 191

**To**

The H. A. Resident.

Sir,

Date of issue 22-8-16

Signed by Asst. Secy. Pro

I am directed to acknowledge the receipt of your office endorsement No 567 dated 12th August 1916, forwarding for information of the Durbar, a copy of letter no 5956-184 dated 17th July 1916 and its enclosures from the Govt of India, Dept of Commerce & Industry (Geology and Minerals) and to request that six spare copies of the revised form of prospecting license and of the forms of agreement for exercising control in the case of reserved minerals therein referred to may be kindly forwarded.

P.T.O. over.

SUBJECT.

68 1/8

Obtained
for the use of the Bureau.

I have etc.

LG

per Secy in Court
Cyc Dept.

LS

*List of enclosures*

*Copied by*

*Examined by*

GPE—20,000—10-10-14

GEN. & REV. SEC'T
V
28 AUG 1916
29

No. 6077
a 5.

Pol 413 & 29.8.16.

FROM

MAJOR T. H. ST. GEORGE TUCKER,
FIRST ASSISTANT TO THE RESIDENT IN MYSORE.

To

DIARY NO. 1908

1916-1917
SECTION Genl
FILE NO 27-16

*Dated Bangalore,* 28th August 1916.

SIR,

With reference to Mr. NarasingaRao's letter No.Pol 210, dated the22nd August 1916, I am directed to forward 5 spare copies of the revised form of prospecting license and of the forms of agreement for exercising control in the case of reserved minerals therein referred to. It is regretted that no more copies are available.

I have the honour to be,

Sir,

Your most obedient servant.,

T. St. G Tucker.

First Assistant Resident.

1x 0
6/9

G. R. S. 26]

Geol File No. 27-16
Serial No.

*Diary No. of letter replied to* .....

No. G 3483
Genl 4.

General and Revenue Secretariat
( )
, *the* *191* .

**To**
The Director, Dept of Mines & Geology

Sir,

Date of issue 11-9-16

Signed by Mr. B. L. Rai.

I am directed to forward herewith, for your information, a copy of letter no 5956-184 dated 17th July 1916 from the Govt of India dept of Commerce & Industry (Geology & Minerals) together with 3 copies of its enclosures (3 printed revised forms of prospecting license and of agreement for exercising control in the case of reserved minerals.

I have etc.

for Secy to Govt
Gl Dept

*over.*

SUBJECT.